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Advance Report on Durable Goods Manufacturers' Shipments, Inventories and Orders January 2011

New Orders

New orders for manufactured durable goods in January increased \$5.3 billion or 2.7 percent to \$200.5 billion, the U.S. Census Bureau announced today. This increase followed three consecutive monthly decreases including a 0.4 percent December decrease. Excluding transportation, new orders decreased 3.6 percent. Excluding defense, new orders increased 1.9 percent.

Transportation equipment, also up following three consecutive monthly decreases, had the largest increase, \$10.9 billion or 27.6 percent to \$50.5 billion. This was led by to nondefense aircraft and parts, which increased \$7.3 billion.

Shipments

Shipments of manufactured durable goods in January, up four of the last five months, increased \$0.6 billion or 0.3 percent to \$202.9 billion. This followed a 2.3 percent December increase.

Primary metals, up six consecutive months, had the largest increase, \$0.9 billion or 4.0 percent to \$23.0 billion.

Unfilled Orders

Unfilled orders for manufactured durable goods in January, up nine of the last ten months, increased \$4.3 billion or 0.5 percent to \$829.4 billion. This followed a 0.2 percent December decrease.

Transportation equipment, up following two consecutive monthly decreases, had the largest increase, \$2.3 billion or 0.5 percent to \$475.7 billion.

Inventories

Inventories of manufactured durable goods in January, up thirteen consecutive months, increased \$2.2 billion or 0.7 percent to \$324.8 billion. This followed a 0.8 percent December increase.

Transportation equipment, also up thirteen consecutive months, had the largest increase, \$0.6 billion or 0.7 percent to \$86.9 billion.

Capital Goods

Nondefense new orders for capital goods in January increased \$2.9 billion or 4.6 percent to \$66.3 billion. Shipments decreased \$1.9 billion or 2.9 percent to \$65.7 billion. Unfilled orders increased \$0.7 billion or 0.1 percent to \$501.1 billion. Inventories increased \$1.3 billion or 0.9 percent to \$138.4 billion.

Defense new orders for capital goods in January increased \$2.6 billion or 31.5 percent to \$10.9 billion. Shipments decreased \$0.7 billion or 8.1 percent to \$8.2 billion. Unfilled orders increased \$2.7 billion or 1.9 percent to \$141.4 billion. Inventories increased slightly or 0.1 percent to \$17.5 billion.

Revised December Data

Revised seasonally adjusted December figures for all manufacturing industries were: new orders, \$430.4 billion (revised from \$426.8 billion); shipments, \$437.5 billion (revised from \$436.0 billion); unfilled orders, \$825.1 billion (revised from \$822.8 billion); and total inventories, \$551.1 billion (revised from \$550.4 billion).

Figures in text are adjusted for seasonality but not for inflation. Figures on new and unfilled orders exclude data for semiconductor manufacturing. For data, call (301) 763-4673 or go to <http://www.census.gov/m3>.

Revised and more detailed estimates, plus nondurable goods data, will be published on March 4, 2011, at 10:00 a.m. EST. The advance report on durable goods for February is scheduled for release on March 24, 2011, at 8:30 a.m. EDT. See back page for survey description and benchmark notice.

Table 1. Durable Goods Manufacturers' Shipments and New Orders ¹**[Estimates are shown in millions of dollars and are based on data from the Manufacturers' Shipments, Inventories, and Orders Survey.]**

Item	Seasonally Adjusted						Not Seasonally Adjusted					
	Monthly			Percent Change			Monthly			Year to Date		
	Jan 2011 ²	Dec 2010 ^f	Nov 2010	Dec - Jan ²	Nov - Dec ^f	Oct - Nov	Jan 2011 ²	Dec 2010 ^f	Jan 2010	2011	2010	Change 11/10
<u>DURABLE GOODS</u>												
Total:												
Shipments.....	202,873	202,243	197,633	0.3	2.3	0.5	182,369	202,536	172,452	182,369	172,452	5.8
New Orders ⁴	200,547	195,206	196,053	2.7	-0.4	-0.1	184,947	207,779	170,890	184,947	170,890	8.2
Excluding transportation:												
Shipments.....	154,700	153,974	150,907	0.5	2.0	1.6	140,400	151,557	128,088	140,400	128,088	9.6
New Orders ⁴	150,092	155,678	151,196	-3.6	3.0	4.6	139,037	153,992	123,803	139,037	123,803	12.3
Excluding defense:												
Shipments.....	192,212	190,980	186,268	0.6	2.5	0.5	173,732	190,123	160,466	173,732	160,466	8.3
New Orders ⁴	187,452	183,908	184,347	1.9	-0.2	-1.0	171,713	191,025	156,353	171,713	156,353	9.8
Manufacturing with unfilled orders:												
Shipments.....	148,177	148,537	144,541	-0.2	2.8	1.1	131,881	150,013	122,838	131,881	122,838	7.4
New Orders.....	152,526	147,223	148,860	3.6	-1.1	0.2	142,601	159,656	129,311	142,601	129,311	10.3
Primary metals:												
Shipments.....	22,960	22,068	21,020	4.0	5.0	4.6	21,535	18,846	17,124	21,535	17,124	25.8
New Orders.....	23,172	22,915	23,162	1.1	-1.1	13.9	22,928	19,902	18,412	22,928	18,412	24.5
Fabricated metal products:												
Shipments.....	28,049	28,007	27,577	0.1	1.6	1.1	25,161	25,829	23,580	25,161	23,580	6.7
New Orders.....	28,144	27,934	27,770	0.8	0.6	3.0	25,788	25,769	23,930	25,788	23,930	7.8
Machinery:												
Shipments.....	25,746	27,325	25,418	-5.8	7.5	2.6	23,430	28,296	20,194	23,430	20,194	16.0
New Orders.....	27,752	31,911	27,362	-13.0	16.6	0.4	27,317	31,517	21,347	27,317	21,347	28.0
Computers and electronic products⁴:												
Shipments.....	33,853	33,176	33,817	2.0	-1.9	0.2	31,480	36,615	30,808	31,480	30,808	2.2
New Orders.....	26,760	28,706	28,616	-6.8	0.3	6.7	23,202	35,224	22,424	23,202	22,424	3.5
Computers and related products:												
Shipments.....	6,042	6,175	6,461	-2.2	-4.4	-0.1	5,238	7,954	4,899	5,238	4,899	6.9
New Orders.....	5,521	6,109	6,783	-9.6	-9.9	7.3	4,717	7,888	4,393	4,717	4,393	7.4
Communications equipment:												
Shipments.....	3,210	3,400	3,492	-5.6	-2.6	4.7	2,438	4,105	2,859	2,438	2,859	-14.7
New Orders.....	3,414	3,988	3,555	-14.4	12.2	13.3	2,799	5,206	3,016	2,799	3,016	-7.2
Electrical equipment, appliances, and components:												
Shipments.....	10,150	10,033	9,857	1.2	1.8	1.7	8,950	9,857	7,945	8,950	7,945	12.6
New Orders.....	10,298	10,829	10,760	-4.9	0.6	8.7	9,915	10,041	8,912	9,915	8,912	11.3
Transportation equipment:												
Shipments.....	48,173	48,269	46,726	-0.2	3.3	-2.8	41,969	50,979	44,364	41,969	44,364	-5.4
New Orders.....	50,455	39,528	44,857	27.6	-11.9	-13.3	45,910	53,787	47,087	45,910	47,087	-2.5
Motor vehicles and parts:												
Shipments.....	30,720	30,306	29,447	1.4	2.9	-2.1	28,494	29,139	28,595	28,494	28,595	-0.4
New Orders.....	30,517	30,384	29,611	0.4	2.6	-2.4	28,466	29,749	28,747	28,466	28,747	-1.0
Nondefense aircraft and parts:												
Shipments.....	7,056	7,506	6,659	-6.0	12.7	-7.3	5,194	9,940	4,950	5,194	4,950	4.9
New Orders.....	7,400	148	5,019	4,900.0	-97.1	-59.6	4,981	10,576	4,904	4,981	4,904	1.6
Defense aircraft and parts:												
Shipments.....	4,517	4,687	4,870	-3.6	-3.8	1.5	3,483	5,576	4,776	3,483	4,776	-27.1
New Orders.....	5,408	4,486	5,043	20.6	-11.0	6.4	5,548	6,542	6,598	5,548	6,598	-15.9
All other durable goods:												
Shipments.....	33,942	33,365	33,218	1.7	0.4	0.8	29,844	32,114	28,437	29,844	28,437	4.9
New Orders.....	33,966	33,383	33,526	1.7	-0.4	0.9	29,887	31,539	28,778	29,887	28,778	3.9
Capital goods³:												
Shipments.....	73,894	76,552	74,018	-3.5	3.4	0.2	64,561	84,511	62,119	64,561	62,119	3.9
New Orders.....	77,233	71,714	74,365	7.7	-3.6	-5.8	70,892	90,213	64,476	70,892	64,476	10.0
Nondefense capital goods:												
Shipments.....	65,655	67,589	65,280	-2.9	3.5	0.5	57,787	75,002	52,266	57,787	52,266	10.6
New Orders.....	66,318	63,411	65,647	4.6	-3.4	-7.9	59,770	77,375	53,169	59,770	53,169	12.4
Excluding aircraft:												
Shipments.....	61,829	63,113	61,576	-2.0	2.5	1.5	55,505	68,475	49,736	55,505	49,736	11.6
New Orders.....	62,323	66,967	64,221	-6.9	4.3	3.3	58,184	71,435	50,639	58,184	50,639	14.9
Defense capital goods:												
Shipments.....	8,239	8,963	8,738	-8.1	2.6	-1.5	6,774	9,509	9,853	6,774	9,853	-31.2
New Orders.....	10,915	8,303	8,718	31.5	-4.8	14.2	11,122	12,838	11,307	11,122	11,307	-1.6

^f Revised data due to late receipts and concurrent seasonal adjustment.¹ Estimates of shipments and new orders are for the duration of the period, while estimates of unfilled orders and total inventories are for the end of the period. Not seasonally adjusted estimates of shipments and new orders include adjusted data for non-calendar reporters. Seasonally adjusted estimates include concurrent adjustments for holiday and trading-day differences, where appropriate, as well as seasonal variation, based on the results of the latest annual review of the model parameters. Estimates are not adjusted for price changes.² Based on advance sample. Estimates of manufacturers' shipments, inventories, and orders are subject to survey error and revision. One major component of survey error is nonsampling error, which includes errors of coverage, response and nonreporting. Since the survey panel is not a probability sample, estimates of sampling error cannot be calculated. For further details on survey design, methodology, and data limitations, see <http://www.census.gov/manufacturing/m3>.³ The Capital Goods Industries include Nondefense : small arms and ordnance; farm machinery and equipment; construction machinery; mining, oil, and gas field machinery; industrial machinery; vending, laundry, and other machinery; photographic equipment; metalworking machinery; turbines and generators; other power transmission equipment; pumps and compressors; material handling equipment; all other machinery; electronic computers; computer storage devices; other computer peripheral equipment; communications equipment; search and navigation equipment; electromedical, measuring, and control instruments; electrical equipment, appliances, and components; heavy duty trucks; aircraft; railroad rolling stock; ships and boats; office and institutional furniture; and medical equipment and supplies.

Defense Capital Goods include : small arms and ordnance, communications equipment, aircraft; missiles, space vehicles, and parts, ships and boats, and search and navigation equipment.

⁴ Estimates of shipments for the semiconductor industry are no longer shown separately. Estimates and percent changes of shipments and inventories for the semiconductor industry are included in computers and electronic products, and all other applicable aggregate totals. Estimates and percent changes for new orders and unfilled orders exclude semiconductor industry data.

Table 2. Durable Goods Manufacturers' Unfilled Orders and Total Inventories ¹

[Estimates are shown in millions of dollars and are based on data from the Manufacturers' Shipments, Inventories, and Orders Survey.]

Item	Seasonally Adjusted						Not Seasonally Adjusted			
	Monthly			Percent Change			Monthly			Percent
	Jan 2011 ²	Dec 2010 ^r	Nov 2010	Dec - Jan ²	Nov - Dec ^r	Oct - Nov	Jan 2011 ²	Dec 2010 ^r	Jan 2010	2011/ 2010
DURABLE GOODS										
Total:										
Unfilled Orders ⁴	829,418	825,069	826,383	0.5	-0.2	0.5	835,187	824,467	799,159	4.5
Total Inventories.....	324,848	322,681	319,982	0.7	0.8	0.9	325,307	314,777	295,728	10.0
Excluding transportation:										
Unfilled Orders ⁴	353,673	351,606	344,179	0.6	2.2	1.8	352,831	346,052	313,479	12.6
Total Inventories.....	237,907	236,360	235,296	0.7	0.5	0.5	238,593	231,468	219,785	8.6
Excluding defense:										
Unfilled Orders ⁴	673,118	671,203	672,552	0.3	-0.2	0.6	676,943	670,820	643,056	5.3
Total Inventories.....	301,948	299,786	296,902	0.7	1.0	0.8	302,356	292,018	272,218	11.1
Manufacturing with unfilled orders:										
Unfilled Orders.....	829,418	825,069	826,383	0.5	-0.2	0.5	835,187	824,467	799,159	4.5
Total Inventories.....	264,814	262,989	260,702	0.7	0.9	0.9	265,040	256,510	239,542	10.6
Primary metals:										
Unfilled Orders.....	22,261	22,049	21,202	1.0	4.0	11.2	22,334	20,941	17,659	26.5
Total Inventories.....	32,501	31,963	31,511	1.7	1.4	1.6	32,372	31,566	27,560	17.5
Fabricated metal products:										
Unfilled Orders.....	54,009	53,914	53,987	0.2	-0.1	0.4	53,212	52,585	52,424	1.5
Total Inventories.....	42,863	42,564	42,383	0.7	0.4	0.7	43,000	41,808	39,889	7.8
Machinery:										
Unfilled Orders.....	112,912	110,906	106,320	1.8	4.3	1.9	113,103	109,216	88,319	28.1
Total Inventories.....	53,266	52,948	52,966	0.6	0.0	0.9	53,629	51,630	49,846	7.6
Computers and electronic products⁵:										
Unfilled Orders.....	124,130	124,548	123,295	-0.3	1.0	0.6	124,561	124,697	121,160	2.8
Total Inventories.....	46,314	46,105	46,006	0.5	0.2	-0.2	46,492	45,106	43,070	7.9
Computers and related products:										
Unfilled Orders.....	5,058	5,579	5,645	-9.3	-1.2	6.0	5,058	5,579	4,865	4.0
Total Inventories.....	4,546	4,458	4,567	2.0	-2.4	-3.3	4,380	4,195	4,331	1.1
Communications equipment:										
Unfilled Orders.....	29,094	28,890	28,302	0.7	2.1	0.2	29,140	28,779	28,931	0.7
Total Inventories.....	8,113	8,262	8,380	-1.8	-1.4	0.5	8,278	8,263	7,816	5.9
Electrical equipment, appliances, and components:										
Unfilled Orders.....	27,384	27,236	26,440	0.5	3.0	3.5	27,181	26,216	22,068	23.2
Total Inventories.....	14,725	14,795	14,885	-0.5	-0.6	-0.2	14,751	14,339	13,554	8.8
Transportation equipment:										
Unfilled Orders.....	475,745	473,463	482,204	0.5	-1.8	-0.4	482,356	478,415	485,680	-0.7
Total Inventories.....	86,941	86,321	84,686	0.7	1.9	1.8	86,714	83,309	75,943	14.2
Motor vehicles and parts:										
Unfilled Orders.....	14,029	14,232	14,154	-1.4	0.6	1.2	14,441	14,469	14,800	-2.4
Total Inventories.....	21,830	21,721	21,750	0.5	-0.1	1.7	22,125	21,037	18,639	18.7
Nondefense Aircraft and parts:										
Unfilled Orders.....	324,912	324,568	331,926	0.1	-2.2	-0.5	329,269	329,482	323,519	1.8
Total Inventories.....	42,530	41,971	40,213	1.3	4.4	1.8	42,004	40,042	33,539	25.2
Defense Aircraft and parts:										
Unfilled Orders.....	49,563	48,672	48,873	1.8	-0.4	0.4	50,420	48,355	49,570	1.7
Total Inventories.....	11,997	12,007	12,157	-0.1	-1.2	2.5	11,929	11,897	12,142	-1.8
All other durable goods:										
Unfilled Orders.....	12,977	12,953	12,935	0.2	0.1	2.4	12,440	12,397	11,849	5.0
Total Inventories.....	48,238	47,985	47,545	0.5	0.9	0.2	48,349	47,019	45,866	5.4
Capital goods³:										
Unfilled Orders.....	642,442	639,103	643,941	0.5	-0.8	0.1	648,263	641,932	622,809	4.1
Total Inventories.....	155,893	154,600	153,376	0.8	0.8	0.9	155,646	150,410	141,560	10.0
Nondefense capital goods:										
Unfilled Orders.....	501,078	500,415	504,593	0.1	-0.8	0.1	505,239	503,256	481,072	5.0
Total Inventories.....	138,403	137,133	135,683	0.9	1.1	0.8	138,037	132,969	123,380	11.9
Excluding aircraft:										
Unfilled Orders.....	208,462	207,968	204,114	0.2	1.9	1.3	208,399	205,720	187,765	11.0
Total Inventories.....	104,276	103,790	103,770	0.5	0.0	0.4	104,398	101,283	97,963	6.6
Defense capital goods:										
Unfilled Orders.....	141,364	138,688	139,348	1.9	-0.5	0.0	143,024	138,676	141,737	0.9
Total Inventories.....	17,490	17,467	17,693	0.1	-1.3	2.0	17,609	17,441	18,180	-3.1

See footnotes at end of Table 1

Survey Description

This report is compiled from results of the U.S. Census Bureau's Manufacturers' Shipments, Inventories, and Orders (M3) survey. This survey provides statistics on manufacturers' value of shipments, new orders (net of cancellations), end-of-month order backlog (unfilled orders), end-of-month total inventory (at current cost or market value), and inventories by stage of fabrication (materials and supplies, work-in-process, and finished goods). The M3 includes approximately 4,300 reporting units. Units may be divisions of diversified large companies, large homogenous companies, or single-unit manufacturers in 89 industry categories. Due to the small monthly sample, these 89 categories have been combined into 59 publication levels. The survey methodology assumes that the month-to-month changes of the total operations of those companies in the monthly survey effectively represent the month-to-month movements of all establishments that make up the category. The current coverage levels in the survey show that reported data in the monthly survey represent approximately 60 percent of the shipments estimates at the total manufacturing level. Data published represent manufacturing in a calendar month. The data collection is based on a voluntary survey authorized by Title 13 of the United States Code.

The data presented in this release are based on data obtained from a panel of 4,300 reporting units and provide an indication of the activity within the manufacturing sector. The results differ from what would be obtained from a complete enumeration of all manufacturing companies. In addition, a different panel of 4,300 companies would yield different results. The M3 panel is comprised of companies with \$500 million or more in shipments and a limited number of smaller companies. From a statistical perspective, the panel is not a probability sample; therefore, the sampling errors that are normally provided with sample surveys cannot be measured. Nonsampling errors are attributable to many sources. The use of company or divisional reports to estimate the monthly change for establishments is one source of nonsampling error. The use of primarily large companies to represent the month-to-month movement of all companies is another potential source. Any corrections will be published in the full report. Corrections received after the full report will be released in the next month's advance report. Any revisions made later than two months will be reflected in the annual benchmark publication.

Additional survey documentation can be found on our web site: <http://www.census.gov/m3>.

Benchmark Notice

Revised historical data for Manufacturers' Shipments, Inventories, and Orders will be issued on May 13, 2011. These revisions reflect:

- benchmarking the shipments and inventory data to the 2009 Annual Survey of Manufactures (ASM) data;
- incorporating the unfilled orders to shipments ratios obtained from the 2008/2009 Manufacturers' Unfilled Orders Survey by applying these ratios to the respective ASM shipments data;
- adjusting new orders to be consistent with the benchmarked shipments and unfilled orders data;
- correcting monthly data for late receipts, reclassifications of reported data, and revisions to previously reported data; and
- updating the seasonal adjustment factors for all series.

An accompanying press release will include the revised 2011 January through March data. Please call Heather Dudash on (301)763-4832 with any questions.